

**Before the State of South Carolina
Department of Insurance**

In the matter of:

William L. Gravely
P. O. Box 587
Pickens, S.C. 29671.

SCDOI File Number: 2004-123818

**Consent Order
Imposing Administrative Penalty**

This matter comes before me pursuant to an agreement entered into between the State of South Carolina Department of Insurance and William L. Gravely, a licensed South Carolina resident insurance agent.

Upon review of this matter, I hereby find as fact, that Mr. Gravely, while licensed to do business as a resident insurance agent within the State of South Carolina for Kimbrell & Company, failed to provide replacement coverage on a policy issued to B & J Sanitation. Mr. Gravely acknowledges this and contends this failure resulted from inadvertence and oversight and not from any intent to avoid the requirements of the law. Nevertheless, these actions can ultimately lead to the revocation of his license to transact the business of insurance as an agent in South Carolina following a public hearing at the Administrative Law Court.

Prior to the initiation of any administrative proceedings by the Department against him, Mr. William Gravely and the Department agreed to submit the entire matter to me, along with their specific recommendation, for my summary decision, rather than to proceed toward a formal public hearing. The consensual recommendation was that Mr. Gravely would waive his right to a public hearing, and immediately pay an administrative penalty through the Department in the total amount of \$1,000.00 dollars.

Section 38-43-130 of the South Carolina Code of Administrative Laws provides the Director of Insurance with the authority to revoke a producer's license "when it appears that a producer has violated this title or any regulation promulgated by the Department, or has willfully deceived or dealt unjustly with the citizens of this State." Subsection (C)(8) specifically defines "deceived or dealt unjustly with the citizens of this State" to include, but not limited to action or inaction by the producer, as follows: "using fraudulent, coercive, or dishonest practices, or demonstrating incompetence, untrustworthiness, or financial irresponsibility in the conduct of insurance business in this State or elsewhere."

After a thorough review of the record, and pursuant to my findings of fact, I hereby conclude as a matter of law, that Mr. William L. Gravely has violated S.C. Code Ann. § 38-43-130(C)(8)(Supp. 2004). As a result, I can now revoke his resident insurance agent's license. However, under the discretionary authority provided to me within S.C. Code Ann. § 38-43-130 (Supp. 2004), and after carefully considering the

recommendation of the parties, I hereby impose against Mr. Gravely an administrative penalty in the total amount of \$1,000.00 dollars. He must pay the fine within ten days of receipt of this Consent Order. If Mr. Gravely does not timely pay that total fine amount, or is found to be in violation of any of the state's insurance laws within that period, his resident insurance producer's license will be immediately revoked without any further disciplinary proceedings.

The parties have reached this agreement in consideration of the Department having never taken any administrative action against Mr. Gravely before, and of his assurances that in the future he will comply with the State's insurance laws. The parties expressly agree and understand that this resolution constitutes full accord and satisfaction of this matter. By his signature upon this consent order, William Gravely acknowledges that he understands that this administrative disciplinary order is a public record subject to the disclosure requirements of the State of South Carolina's *Freedom of Information Act*, S.C. Code Ann. §§ 30-4-10, *et seq.* (1991 and Supp. 2004).

Nothing contained within this administrative disciplinary order should be construed to limit or to deprive any person of any private right of action under the law. Nothing contained within this administrative disciplinary order should be construed to limit, in any manner, the criminal jurisdiction of any law enforcement or judicial officer. Nothing contained within this administrative disciplinary order should be construed to limit the statutory duty of the Director of Insurance, exercised either directly or through the Department of Insurance, to "report to the Attorney General or other appropriate law enforcement officials criminal violations of the law relative to the business of insurance or the provisions of this title which he considers necessary to report." S.C. Code Ann. § 38-3-110 (4)(Supp. 2004).

It is, therefore, ordered that William L. Gravely shall, within ten days from the date of receipt of this order, pay through the Department an administrative fine in the total amount of \$1,000.00.

It is further ordered that a copy of this consent order be immediately transmitted to the National Association of Insurance Commissioners for distribution to its member states and a copy be placed in Mr. Gravely's licensing file.

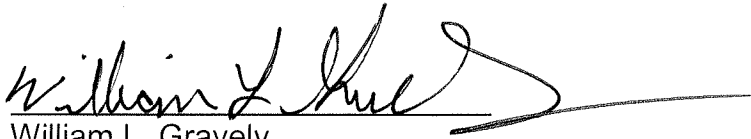
This order becomes effective as of the date of my signature below.


Eleanor Kitzman

March 16, 2005, at
Columbia, South Carolina

Director

I CONSENT:

A handwritten signature in cursive script, appearing to read "William L. Gravely", written over a horizontal line.

William L. Gravely
P. O. Box 587
Pickens, South Carolina 29671.

Dated this 1st day of March, 2005.